



The Bar Council

Sanctions guidance

Purpose:	To give guidance for barristers on UK sanctions and barristers' professional obligations
Scope of application:	All practising barristers
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Status and effect:	Please see the notice at end of this document. This is not "guidance" for the purposes of the BSB Handbook I6.4.

(1) Introduction

1. This guidance is for barristers practising in England and Wales and their professional support staff. It focuses on barristers' professional obligations and chambers' systems and controls. This guidance is not legal advice. It outlines the structure of UK sanctions, gives links to relevant guidance and to the Bar professional conduct rules relevant to compliance with sanctions. The Solicitors Regulation Authority sanctions guidance is also useful for barristers.¹

2. Core Duty 10 of the BSB Handbook requires barristers to take reasonable steps to manage their practice to achieve compliance with legal and regulatory obligations. Self-employed barristers are individually responsible for compliance with UK sanctions. Rules C89.9 and C94.11 place obligations on sets of chambers and entities

¹ SRA guidance 'Complying with the UK sanctions regime'; <https://www.sra.org.uk/solicitors/guidance/financial-sanctions-regime/>.

to take reasonable steps to ensure appropriate risk management procedures are in place.

3. The Bar Standards Board's guidance on sanctions explains that compliance with Core Duty 10 requires barristers to "*ensure that you have procedures in place to enable you to comply with sanctions*" and that "[a]ll barristers and BSB entities should assess their own exposure and put in place processes to check sanctions that are in force to manage any identified or anticipated risks of breaching sanctions".² The BSB expects policies and controls to be developed by chambers and wishes to ensure that chambers' management committees have mechanisms and guidance in place to assure themselves that risk is appropriately and consistently assessed, and compliance controls are consistently applied by each member of chambers. The Bar Council has provided further information at Annex A on what information could be included in chambers' individual sanctions policies.

4. Each practitioner should also ensure that they have procedures in place to enable them to comply with sanctions. Depending on a barrister's practice and nationality, barristers may need to comply not only with the UK sanctions law but also with sanctions laws of other countries or territories where a barrister practises, resides or holds citizenship, such as the EU, US, Australia or Canada.

(2) Outline of UK sanctions

(a) UK sanctions regimes

5. The UK currently has approximately 40 sanctions regimes in force.³ Some of these regimes give effect to the UK's obligations under UN Security Council Resolutions, others are autonomous UK sanctions regimes. HM Treasury's Office of Financial Sanctions Implementation ("OFSI") is responsible for the implementation and enforcement of financial sanctions in the UK⁴ and issues guidance.⁵ The Office of Trade Sanctions Implementation ("OTSI") within the Department for Business and

² See [here](#).

³ See [here](#). These regimes refer to those contained in regulations made under the Sanctions and Anti-Money Laundering Act 2018. While the term "sanctions regime" is sometimes used more broadly to refer to measures under, for example, freezing orders under the Anti-Terrorism, Crime and Security Act 2001, these are not considered here. Consolidated versions of each regulation may also be obtained from databases like www.globalsanctions.com and legal search engines such as Westlaw or LexisNexis.

⁴ A wide range of other UK government bodies are also responsible for enforcement of different aspects of UK sanctions regimes. This is summarised in a table at p.25 of the UK Sanctions Strategy (published 22 February 2024), see [here](#).

⁵ OFSI's general guidance for financial sanctions is [here](#); OFSI's guidance on enforcement and monetary penalties for breaches of sanctions is [here](#) and OFSI's financial sanctions Russia guidance [here](#). Updated versions of all guidance are on www.globalsanctions.com.

Trade (“DBT”) implements and enforces trade sanctions in conjunction with other UK Government bodies.⁶ Compliance with sanctions is mandatory for everyone to whom UK sanctions laws apply, including barristers.

6. Every UK sanctions regime, whether it gives effect to a UN Security Council resolution, or whether it is an autonomous UK regime, is given effect under its own regulations made under the Sanctions and Anti-Money Laundering Act 2018 (“SAML 2018”). For example, the UK’s Russia sanctions regime is given effect by the UK (Sanctions) (EU Exit) Regulations 2019 (the “Russia Regulations”). Each regime has accompanying statutory guidance.⁷

7. Some sanctions measures under UK sanctions regimes are targeted at “designated persons”, which means individuals or entities who have been individually targeted for sanctions; an asset freeze is an example of an individually targeted measure.⁸ Or sanctions measures can be aimed more generally - import and export controls on whole economic sectors, for example, and restrictions on trade.

8. Designated persons are named on the “UK Sanctions List”, which is available online.⁹ UK sanctions regimes provide that the asset freezing measures that apply to a designated person also apply to an entity which is “owned, held or controlled” by a designated person.¹⁰ The entities owned or controlled by a designated person are usually not identified on the UK Sanctions list; and their identification is a common issue in practice.¹¹ OFSI emphasised the need carefully to consider ownership and

⁶ OTSI has powers under the Trade, Aircraft and Shipping Sanctions (Civil Enforcement) Regulations 2024, which came into effect on 10 October 2024. For OTSI’s guidance, see [here](#). Other UK Government bodies also have responsibilities for implementing and enforcing trade sanctions. For example, the Export Control Joint Unit issues licences, and HMRC enforces criminal penalties in respect of breaches of trade sanctions.

⁷ See for example guidance on Russia sanctions [here](#); on Iraq sanctions [here](#); on Lebanon sanctions [here](#); on Yemen sanctions [here](#); on Myanmar sanctions [here](#); on Afghanistan sanctions [here](#); on Venezuela sanctions [here](#); on Libya sanctions [here](#); on Belarus sanctions [here](#); on Bosnia and Herzegovina sanctions [here](#); on Syria sanctions [here](#) and [here in respect of cultural property](#); on Iran sanctions [here](#) and [here on human rights sanctions](#); on Nicaragua sanctions [here](#); on Somalia sanctions [here](#); on Sudan sanctions [here](#); on South Sudan sanctions [here](#); on DRC sanctions [here](#); on Central African Republic sanctions [here](#); on Democratic People’s Republic of Korea sanctions [here](#); on Lebanon sanctions [here](#); on Burundi sanctions [here](#); on Mali sanctions [here](#); on Guinea sanctions [here](#); on ISIL and Al-Qaida sanctions [here](#); on counter terrorism sanctions [here](#); on global anti-corruption sanctions [here](#); on cyber sanctions [here](#); on unauthorised drilling activities sanctions [here](#).

⁸ Consolidated lists of asset freeze and financial sanctions targets [here](#).

⁹ See [here](#).

¹⁰ See reg. 11(7) of the Russia Regulations, read in light of reg. 7.

¹¹ OFSI has provided guidance on ownership and control [here](#). Some of the difficulties in applying the test are summarised in a joint Law Society and Bar Council note, [here](#). On the ownership and control test, key cases include NBT v Mints [2023] EWCA Civ 1132; Litasco SA v Der Mond Oil & Gas Africa

control in its monetary penalty notice against Herbert Smith Freehills CIS LLP Moscow for breaches of UK financial sanctions on Russia.¹²

9. UK sanctions regimes are given effect, with some modifications, in the UK's Overseas Territories through Orders in Council. In the Crown Dependencies (Guernsey, Jersey, Isle of Man), UK sanctions regimes are mirrored, with some modifications, through locally enacted legislation. The licencing regime is not unified as between the UK, the Overseas Territories, and the Crown Dependencies; therefore local licenses may be required from those jurisdictions.¹³

(b) Territorial scope

10. UK sanctions apply in the UK and to UK nationals everywhere. SAMLA 2018 also allows UK sanctions regulations made thereunder to impose prohibitions or requirements outside the UK in relation to conduct in the UK or in the territorial sea by any person, or conduct elsewhere if the conduct is by a UK person. "United Kingdom person" is defined as a UK national, or a body incorporated or constituted under the law of any part of the UK.¹⁴

(c) Sanctions prohibitions

11. Sanctions prohibitions are of different types. For example, the Russia Regulations impose the following types of prohibition: finance; immigration, trade, and transport. As noted above, some of these measures are targeted at designated persons (and entities owned or controlled by them), others apply more generally. Whether a person has breached or would breach a given prohibition requires legal analysis of the relevant prohibition and is fact specific.

12. Persons designated under UK financial sanctions are subject to (i) asset freezing restrictions, which means their funds and economic resources are frozen / it is prohibited to deal with funds and economic resources they own, hold or control (including via companies or other persons), and (ii) making-available prohibitions, which mean it is prohibited to make funds or economic resources available to them (directly or indirectly) or for their benefit, in some cases subject to further conditions.

SA & another [2023] EWHC 2866 (Comm); and Hellard & Ors v OJSC Rossiysky Kredit Bank & Ors [2024] EWHC 1783 (Ch).

¹² <https://ofsi.blog.gov.uk/2025/04/04/hsf-moscow-penalty-key-lessons-for-industry/>

¹³ www.globalsanctions.com has pages relating to the overseas territories and crown dependencies including relevant sanctions authorities.

¹⁴ SAMLA 2018, s.21(2). see also reg. 62A of the Russia Regulations.

13. UK sanctions also prohibit participating in activities whose object or effect is to “circumvent” prohibitions.

(d) Reporting obligations

14. All UK sanctions regimes impose reporting requirements. OFSI provides guidance on how to report information and what to report, and the relevant form on which to do so.¹⁵ Taking the Russia Regulations as an example, the reporting requirements relevant to barristers are set out in reg. 70.

15. All “relevant firms”, which includes barristers practising as independent legal professionals,¹⁶ are required to inform OFSI as soon as practicable if they know or reasonably suspect that (1) a person is a designated person or has breached a prohibition or failed to comply with an obligation under:¹⁷ any provision of Part 3 (Finance) regs. 46Z9B to 46Z9D (maritime transportation of certain oil and oil products), or regulation 67 (finance: licensing offences); or (2) that the relevant firm holds funds or economic resources for a prohibited person (being a person to whom financial services must not be provided by virtue of regulation 18A(1)); but only, with respect to both (1) and (2), where the information or other matter on which the knowledge or cause for suspicion is based came to it in the course of carrying on the relevant firm’s business.

16. By way of exception, a barrister (or solicitor) is not required to disclose any privileged information in their possession in that capacity. Accordingly, in practice, the need for any reporting by barristers is likely to be limited. OFSI has said that it will challenge any attempts to take a blanket approach to legal professional privilege to prevent any sharing of information about a designated person. A barrister might consider noting why they consider that legal professional privilege applies in situations in which this issue arises.

17. There is also a reporting obligation on “relevant firms”, which includes barristers practising as independent legal professionals, to report to OTSI known or reasonably suspected breaches in respect of trade, aircraft, and shipping sanctions (see

¹⁵ See [here](#).

¹⁶ Defined in UK sanctions legislation relevantly as “a firm or sole practitioner that provides to other persons, by way of business — ... (ii) legal or notarial services, (iii) advice about tax affairs, ...”.

¹⁷ Prior to 5 December 2024, the words “breached a prohibition or failed to comply with an obligation” read “committed an offence”. See the amendment in the Sanctions (EU Exit) (Miscellaneous Amendments) (No. 2) Regulations 2024, reg. 15(10).

regs. 15-16 of the Trade, Aircraft and Shipping Sanctions (Civil Enforcement) Regulations 2024).¹⁸

18. OFSI has not issued guidance as to what the position is with respect to barristers' reporting obligations if your instructing solicitor reports a breach (or suspected breach). OFSI's Guidance on reporting under the Legal Services General Licence in respect of the receipt of fees from a designated person or a person paying fees on their behalf makes clear that barristers do not need to report if instructing solicitors have already done so.¹⁹ It may be that OFSI would take the same view on other reporting obligations but has not said so expressly. If a barrister is relying on a solicitor's report, it is recommended that the instructing solicitor, when reporting the breach, makes clear that the report is made on behalf of counsel too, subject to counsel's consent.

(e) Penalties

19. Breach of UK sanctions prohibitions is a criminal offence and can result in criminal prosecution or a fine.²⁰

20. Section 146 of the Policing and Crime Act 2017 provides that the Treasury may impose a monetary (civil) penalty on a person if it is satisfied, on the balance of probabilities, that the person has breached a prohibition, or failed to comply with an obligation, that is imposed by or under "financial sanctions legislation". This is on a strict liability basis; civil monetary penalties may be issued for sanctions breaches without proof of knowledge or reasonable cause to suspect that activity breaches sanctions.

21. "Financial sanctions legislation" is defined to include, *inter alia*, finance measures in UK sanctions regimes.²¹ OFSI provides guidance on its approach to the enforcement of monetary penalties.²² OFSI's guidance states that even though liability for monetary penalties is on a strict liability basis, OFSI take knowledge into account as a mitigating factor in deciding whether to impose a monetary penalty, for example "*OFSI will consider appropriate due diligence conducted on the ownership and control of an entity to be a mitigating factor where the ownership and control determination reached was*

¹⁸ See regs. 15-16 of the Trade, Aircraft and Shipping Sanctions (Civil Enforcement) Regulations 2024.

¹⁹ FAQ 79 ("When should Counsel report to OFSI?") states that: "Counsel should only report to OFSI when they receive funds directly from a DP or someone on behalf of a DP which does not include a law firm. Where law firms have already reported the payment from the DP or someone on behalf of a DP there is no need for Counsel to report to OFSI as well". See [here](#).

²⁰ In the Russia Regulations, for example, this is set out at reg. 80.

²¹ Policing and Crime Act 2017, s.143; read in light of SAMLA 2018, s.3(1)-(2).

²² See [here](#).

*made in good faith and was a reasonable conclusion to draw from such due diligence”.*²³ OFSI explains how it responds to breaches in its guidance on enforcement and monetary penalties:²⁴ *“when we consider what action to take, we take into account the level of actual and expected knowledge of financial sanctions held by an individual or a company, considering the kind of work they do and their exposure to financial sanctions risk. Regulated professionals should meet regulatory and professional standards. We may consider their failure to do so an aggravating factor”.*

22. The OFSI enforcement and monetary penalties guidance sets out what mitigating or aggravating factors it will consider in the event of a breach, when assessing the degree and quality of research and due diligence conducted on ownership and control. OFSI will consider whether the level of due diligence conducted was appropriate to the degree of sanctions risk and nature of the transaction. It would expect to see evidence of a decision making process that took account of the sanctions risk and considered what would be an appropriate level of due diligence in light of that risk. OFSI would usually expect these decisions to be made by reference to an internal framework or policy.

23. OFCOM and the Treasury also have powers to impose monetary penalties in relation to various prohibitions directly under UK sanctions regulations (as distinct from the Treasury’s powers under the Policing and Crime Act 2017), for example under regs. 88A and 88C of the Russia Regulations.

(f) Licences

24. Licensing powers are contained in the sanctions regulations made under SAMLA and can allow otherwise prohibited transactions and prohibited activity to take place in certain circumstances.²⁵

25. A licence (not to be confused with an *exception* to a prohibition that applies automatically in certain defined circumstances as set out in the relevant regulations) is a written permission from, for example, OFSI or DBT, allowing an act that would otherwise breach prohibitions imposed by financial and trade sanctions respectively.

26. There are two types of licences: general, and specific. A general licence allows anyone to undertake specified activities which would otherwise be prohibited by sanctions legislation without the need for a specific licence. General licences cannot be applied for, they are published by OFSI on behalf of HM Treasury, and they can be

²³ See also the SRA guidance on OFSI monetary penalties, [here](#).

²⁴ See [here](#). Version dated 14 November 2024.

²⁵ SAMLA 2018, s.15(2)(b) and s.15(3).

varied, suspended or revoked at any time.²⁶ Each general licence includes requirements for reporting and record-keeping.

27. In the context of legal fees and financial sanctions, a licence – subject to rare cases where the advice itself might constitute an economic resource or fund – is not required to provide legal advice to, and act for, a designated person; it is, however, a requirement for any person or organisation involved in a transaction with those subject to financial sanctions. OFSI has stated in guidance that generally there is no prohibition on providing legal advice (as distinct from receiving payment) without a licence.

28. Lawyers therefore need a licence in order to receive payment for any work on behalf of a designated person (and any related disbursements) so that they are not in breach of, *inter alia*, the asset freeze prohibition at regulation 11. Barristers cannot be paid for legal services provided to or for the benefit of a sanctioned person under UK financial sanctions (whether or not they are expressly designated) without a licence from OFSI, either general or specific, authorising the payment. This is so whether or not the sanctioned person is paying for the legal services. Any conditions of a licence must be complied with.

29. There is a general licence to permit payments of legal fees and disbursements incurred in connection with the representation of persons designated under 26 UK sanctions regimes. Previously, the General Licence in place (routinely renewed every six months) applied only to the Russian and Belarusian sanctions regimes and, for all other UK sanctions regimes, specific licences had to be sought in order to be paid for legal services.

30. The legal fees General Licence – granted under the UK Autonomous Sanctions Regulations – disapplies the financial sanctions prohibitions as set out in each respective set of regulations to any act necessary to give effect to the licence. It contains a definition of legal services, sets out reporting requirements, and the fees and expenses caps. The latest version is always referred to in the Government's sanctions FAQs²⁷.

31. There are separate conditions for payment obligations that predate designation and those that post-date designation. Because the terms of the general licence include a cap on total fees paid by a sanctioned person, barristers and solicitors will need to

²⁶ The licensing section of www.globalsanctions.com contains all current and former general licences.

²⁷ <https://www.gov.uk/government/publications/uk-financial-sanctions-faqs/uk-financial-sanctions-faqs>

co-ordinate so that the cap is not breached.²⁸ OFSI has published Frequently Asked Questions, which includes a section on those related to licensing issues.²⁹

32. Where the legal fees general licence does not apply (for example where the amounts in question have been exhausted), an application can be made for a specific legal fees licences.³⁰ For specific licences, OFSI will expect the instructed law firm to provide a schedule demonstrating the anticipated legal fees (and/or those incurred to date). Barristers ought to know when specific licences (or proposed amendments) that include their services and rates have been submitted to OFSI. When issuing a licence to enable the payment of professional fees and expenses for the provision of legal services, OFSI is obliged under SAMLA 2018 to ensure that those fees and expenses are reasonable.³¹ As a result, barristers should know whether they are being paid for legal services under a specific licence or general licence. OFSI's Guidance in respect of reporting under the Legal Services General Licence in respect of the receipt of fees from a designated person or a person paying fees on their behalf makes clear that barristers do not need to report if instructing solicitors have already done so.³²

33. Barristers, arbitrators and mediators should be aware that, even where licences are in place, payment difficulties may be encountered in practice when acting for a client who is sanctioned or there is otherwise a sanctions concern. Fees are at risk on this basis until a payment route has been agreed, including by the banks who will need to process the payments.

34. On 28 March 2025 OFSI issued the Arbitration Costs general licence (INT/2025/5787748)³³ – under regulation 64 of the Russia Regulations and regulation 32 of the Belarus Regulations – which disapplies the prohibitions in regulation 11-15 to any act necessary to give effect to the licence. Under this general licence, payments may be made *inter alia* to an Arbitrator or Arbitration Association to cover Arbitration Costs, and Arbitrators and Arbitration Associations may direct, receive and use such payments to pay for Arbitration Costs. Reliance on the general licence requires reports to be made, set out at paragraph 7. There is no expiry date.

Prohibitions on legal services

²⁸ On this point see also the BSB's guidance on sanctions, see [here](#).

²⁹ See [here](#).

³⁰ The application form is [here](#).

³¹ See [here](#).

³² OFSI FAQ 79. See [here](#).

³³ [<https://www.gov.uk/government/publications/ofsi-general-licence-int20255787748>]

35. Barristers should consider whether providing legal advice in any particular case is prohibited by UK sanctions for any reason and may require a licence.

36. In particular, the Russia Regulations impose a prohibition on “legal advisory services”, which is a trade measure, such that licences in respect thereto are provided by the DBT (and not OFSI).

37. Note that the introduction of the legal advisory services prohibition generated confusion as to whether lawyers could provide sanctions compliance advice. This resulted in the DBT issuing a general licence.³⁴ This was clarified by the amendment of the Russia Regulations, with effect from 6 September 2024,³⁵ to make clear that, in summary, sanctions compliance advice is permitted (see the exceptions to the provision of legal advisory services at reg. 60DB of the Russia Regulations). The DBT general licence was revoked simultaneously with this amendment of the Russia Regulations.

(g) Other sanctions regimes

38. This guidance only concerns UK sanctions. Barristers advising on UK sanctions issues should be aware of whether other sanctions regimes may apply. The two other regimes most likely to be relevant are those of the EU and the US, but there are a number of others. This is especially important for barristers who hold EU, US or other nationality; EU sanctions apply to EU citizens wherever they are.

39. Note in particular that the legal services restrictions in the EU Russian sanctions regime is different from that in the UK Russia sanctions regime.

(3) Professional obligations and Chambers systems and controls

(a) Professional obligations

40. All barristers are required to take reasonable steps to manage their practice in such a way to achieve compliance with legal and regulatory obligations. This includes compliance with the UK sanctions regime: see Core Duty 10 in the BSB Handbook.³⁶

41. Barristers’ chambers also have an obligation to ensure appropriate risk management procedures are in place and are being complied with: see Rule C89.8 and

³⁴ The Russia Sanctions – Legal Advisory Services, General Licence.

³⁵ The Russia (Sanctions) (EU Exit) (Amendment) (No. 4) Regulations 2024. See [here](#).

³⁶ “You must take reasonable steps to manage your practice, or carry out your role within your practice, competently and in such a way as to achieve compliance with your legal and regulatory obligations.”

C94.11 in the BSB Handbook. Compliance with the UK sanctions regimes cannot be outsourced to third parties, including solicitors.

(b) Chambers systems and controls

42. Chambers should consider implementing a process to mitigate against the risk of inadvertently receiving payment in breach of a UK sanctions regime:³⁷

(1) New cases taken on by individual barristers should be subject to sanctions checks using eg OFSI's screening platform.³⁸ NB: this check will only capture individuals and entities that are designated, and not individuals/entities that are controlled by designated persons so additional due diligence will be required.³⁹

(2) Barristers and clerks should consider whether payment requires a licence or reporting under a general licence, and whether there is a risk that any payment involves a prohibited "dealing" with the funds of a designated person or a company owned or controlled by a designated person or a circumvention offence. The SRA sanctions guidance contains helpful material on compliance regimes in relation to accepting client money.

(3) If the work is in an area which the barrister or clerks consider to involve an enhanced risk then further checks may be necessary. Enhanced risk factors include (but are not limited to):⁴⁰

1.3.a.1. Jurisdiction: e.g., is there a sanctions regime for that jurisdiction (currently Iran, Iraq, Myanmar, Russia, Belarus, Afghanistan, Central African Republic, Bosnia and Herzegovina, North Korea, Democratic Republic of the Congo, Guinea, Guinea-Bissau, Libya, Mali, Sudan, South Sudan, Venezuela, Yemen and Zimbabwe); is it a jurisdiction with well-established financial links with a jurisdiction with a named regime (e.g. Moldova, Cyprus and Kazakhstan have strong economic links with Russia), or is it a jurisdiction which may be able to provide services or entities that help hide ownership?

³⁷ See the BSB's commentary on chambers' sanctions compliance policies (dated 27 June 2023) found [here](#).

³⁸ See [here](#).

³⁹ See OFSI's guidance on ownership and control of public and private bodies by public officials, see [here](#).

⁴⁰ On this point see further the SRA Guidance [here](#).

1.3.a.2. Nature of the individual or entity: Does the individual or entity have links with the jurisdictions identified above? Is the individual an ultra-high net worth individual?

1.3.a.3. Nature of the transaction: For example, are you being asked to advise on a structure/legal arrangement which may make it more difficult to identify the individuals behind it?

1.3.a.4. Sanctions in other jurisdiction: Is the individual or entity sanctioned in any other jurisdiction?

43. The OFSI legal sector risk assessment and SRA sanctions guidance referred to above and below contain helpful information on enhanced risk areas and red flags.

44. There is additional guidance in the NCA/OFSI Red Alert.⁴¹ Chambers should keep a record of checks undertaken. Other checks a chambers may consider could include: what information clerks should log on receipt of a new case; what clerks should do in relation to licences, payment, fees paid into chambers accounts; the level of KYC required; and the drafting of letters of engagement to ensure solicitor compliance with the General Licence for Legal Fees.

(c) Individual barristers' systems and controls

45. All barristers should assess their own exposure and put in place processes to check sanctions that are in force to manage any identified or anticipated risks of breaching sanctions. Barristers should familiarise themselves with the UK sanctions regimes outlined in this guidance note, and keep up to date with any sanctions regulations and/or General Licences for the provision of legal services, which may be relevant to their current practice. Barristers may sign up for alerts recording changes to sanctions regimes.⁴² Barristers cannot rely on others, such as solicitors, to confirm that their clients are not designated persons subject to sanctions.

46. The BSB's Supervision Team, when reviewing policies and processes to ensure compliance, will consider the following:⁴³

- What is the risk that, in your practice, you will engage with clients that are subject to sanctions? Have you conducted a risk assessment and how is it kept up to date?

⁴¹ See [here](#).

⁴² www.globalsanctions.com gives free digests and free full subscriptions for students and instant alerts for subscribers.

⁴³ BSB's guidance on sanctions, see [here](#).

- What processes do you have in place to make yourself aware of current sanctions that are in place and how do you keep up to date with changes?
- What processes are in place to check the consolidated list of sanctions when engaging with a new client?
- Do you take a risk-based approach? For example, are there enhanced due diligence checks for clients (and their beneficial owners) from countries that are covered by the sanctions regime?
- Have you documented your policy and processes for screening clients (and their beneficial owners) and ensured that relevant persons (for example clerks that may carry out some of these processes for you) have received appropriate training?
- When are clients screened? Are any long-standing clients regularly screened where appropriate?

(d) OFSI's Legal Services Threat assessment

47. In April 2025, OFSI published a 'Legal Services Threat Assessment'⁴⁴ as part of a series of sector-specific assessments addressing threats to UK financial sanctions compliance. The document sets out, *inter alia*, a threat overview and guidance on strengthening compliance. Barristers and their Chambers may find useful (i) the list of cross-sector red flags on pages 13 and 14; and (ii) and the examples of complex corporates structures on page 17; and (iii) the case study on post-designation ownership and control transfer on pages 18 - 20. Page 22 contains further resources, including a link to a free OFSI email alert subscription.

⁴⁴ https://assets.publishing.service.gov.uk/media/67ee635698b3bac1ec299c3e/OFSI_Legal_Services_Threat_Assessment.pdf

ANNEX A

Guide on sanctions policies for chambers

There is no legal requirement for chambers to implement a sanctions policy and compliance is up to individual members. However, given the extent of UK sanctions restrictions, having a chambers sanctions policy may assist your members in meeting their obligations under UK sanctions regimes and the following regulatory obligations:

- All barristers are required to take reasonable steps to manage their practice competently and to achieve compliance with legal and regulatory obligations, which includes compliance with UK sanctions (Core Duty 10 in the BSB Handbook).
- Chambers has an obligation to ensure appropriate risk management procedures are in place and are being complied with (Rule C89.8 and C94.11 in the BSB Handbook).

All barristers and staff are subject to UK sanctions regimes, regardless of the type of work they do. Sanctions compliance cannot be outsourced to third parties, including solicitors.

A chambers sanctions policy could include the following:

- An explanation of sanctions restrictions in UK and other potentially relevant sanctions regimes, including:
 - financial sanctions eg restrictions on receiving payment without a licence from UK designated persons and the companies they own or control; and
 - trade sanctions eg restrictions on legal advisory services in the context of sanctions on Russia / Belarus.
- The consequences of non-compliance with sanctions.
- The licensing regime, including general and specific licences from OFSI (the Office for Financial Sanctions Implementation) for payment of legal services.
- A monitoring and review process that ensures the policy is updated as necessary to reflect changes in the law.

- A system for training members of chambers and chambers staff in compliance with the policy and procedures.
- Procedures in chambers to mitigate the risk of inadvertently receiving payment in breach of UK sanctions. For example:
 - New and existing cases subject to sanctions screening to see whether any sanctioned individuals or entities are involved and actions to take if there is a possible match with a sanctioned person;
 - The information that clerks and others logging the case on Lex (or other case management system) should record;
 - Enhanced due diligence for cases involving high risk jurisdictions;
 - Information to be included in letters of engagement and procedures for engagement letters for cases where there is a possible sanctions risk;
 - Keeping records of the checks and due diligence undertaken and conclusions reached; and
 - Procedures to ensure that if an existing client becomes sanctioned, any funds held on their behalf will immediately be treated as frozen, and no future payments taken or funds moved or dealt with in any way until an OFSI licence is in place.
- Particular procedures for members of chambers undertaking work for designated individuals or entities, or for individuals or entities owned or controlled by designated individuals or entities, including:
 - How to assess whether a client may be sanctioned (including may be owned or controlled by a designated person);
 - Ensuring that the source of payment is identified;
 - Ensuring that all payments are properly licensed;
 - Liaising with instructing law firms to ensure that payments are not sent until a licence is in place;
 - Ensuring that any reporting obligations to which barristers are subject are complied with, including as to sanctions breaches; and
 - Requirements to inform the chambers bank or other banks under banking policies, including in relation to receiving payments from sanctioned individuals or certain jurisdictions.

Important Notice

This document has been prepared by the Bar Council to assist barristers on matters of professional conduct and ethics. **It is not “guidance” for the purposes of the BSB Handbook I6.4, and neither the BSB nor a disciplinary tribunal nor the Legal Ombudsman is bound by any views or advice expressed in it.** It does not comprise – and cannot be relied on as giving – legal advice. It has been prepared in good faith, but neither the Bar Council nor any of the individuals responsible for or involved in its preparation accept any responsibility or liability for anything done in reliance on it. For fuller information as to the status and effect of this document, please see [here](#).